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SUBJECT: REFORM WITHOUT REVOLUTION: THE VIEW FROM PUNO

REF: A. LIMA 1841

- [1](#)B. LIMA 2000
- [1](#)C. LIMA 2009
- [1](#)D. LIMA 2026

Sensitive But Unclassified, Please Handle Accordingly.

[1](#)1. (SBU) Comment: Despite grinding poverty, bumbling local government, and flaring racial animosities, revolutionary political action in the altiplano department of Puno is unlikely, even though Puno is an historic center of Peruvian radicalism. Regional officials describe themselves as pragmatic leftists in desperate need of funds to build schools, roads, and medical clinics. The opposition, NGOs, the press, and political analysts say the real issue is competence, not money or ideology, with an inept and increasingly unpopular regional president, Hernan Fuentes, attacking opponents in an attempt to hold on to office. Enough smoke exists to suggest Venezuelan agents are trying to exploit the unrest, but in Puno, as in much of Peru, long-standing local grievances predate Venezuelan meddling. The example of Puno suggests Bolivarian propaganda carries little weight for dissatisfied citizens seeking tangible benefits from local governments. In spite of the glaring failures of democratic representatives to deliver services, most citizens of Puno are seeking reform, not revolution. End Comment

The Problems in Puno

[1](#)2. (SBU) The southern highland province of Puno, with a regional capital of the same name, has long been one of Peru's most isolated and singular areas, noted for fiercely independent Aymara communities in the south, wide-open smuggling across the long border with Bolivia, and an affinity for far-left radicalism. The region is 80 per cent indigenous. Regional president Hernan Fuentes of the Advanza Pais party won elections in November 2006, with the smallest plurality of any candidate in the country -- 20 per cent of the popular vote; runner-up Jose Bautista received 19 per cent.

[1](#)3. (SBU) Fuentes told poloff June 7 that his government is

pragmatic, not ideological, and would accept help from anyone who offered it. In his words, "If the United States would give me money, I would be a capitalist." Fuentes added that the number one issue facing the government was unsafe and poorly maintained roads -- trips of less than 300 kilometers can take as long as 24 hours -- and he lambasted the Garcia administration for ignoring the province and for failing to provide the funds necessary to repair crumbling infrastructure. He also criticized NGOs, who he said "have not completed one public work in the last 20 years." Fuentes plans to convoke NGOs to obtain a clear accounting of how they have spent funds, and he is looking into the possibility of requiring international donors to give aid directly to the regional government.

14. (SBU) The Director General of education in Puno, Saul Bermejo, described the quality of public education in Puno as "dismal." Many classes are held in condemned buildings that pose a safety threat to schoolchildren. Eighty-six percent of students are unable to perform at the appropriate grade level, and no bi-lingual programs exist, even though most children entering school do not speak Spanish. Local schools follow a curriculum dictated by the central government, which emphasizes memorization of literary classics, a pedagogy that Bermejo says fails to interest the children of poor farmers. Bermejo noted that 40 per cent of public school children in Puno's sister city of Juliaca attend private schools, a clear repudiation of the provincial public school system.

15. (SBU) The director of the Bolivarian Alternative for Latin America (ALBA) center, Maricail Maydana, and the regional director for decentralization, Cesar Esquivel, complained that 70 percent of Puno's citizens live in poverty, but the central government fails to provide the funding needed to offer adequate health care. Maydana said the regional government, in desperation, had turned to Venezuela for help, and Venezuela had responded by subsidizing medical treatment for Puno residents in the nearby town of Copacabana, Bolivia. Esquivel emphasized that Venezuela offered pragmatic not ideological support, and he said the regional government was socialist only in the sense that it sought a fairer distribution of resources. Esquivel said Fuentes was a leftist, but a "Puno leftist," who would create a from of government independent of the model offered by either Venezuela or Cuba.

Politics without Results

16. (SBU) Fuentes' critics -- and they are many -- have complained that the problem in Puno is not lack of money but Fuentes' inability to govern. After six months in power, the government has spent less than one percent of the annual funds earmarked for public works and has yet to announce plans for social development. The only jobs filled in the regional government have gone to eight members of Fuentes' immediate family, including his sister and uncle. Fuentes has clashed openly and repeatedly with the provincial assembly over plans to reduce municipal salaries, and relations have deteriorated to the point that the administration and regional legislature no longer meet regularly.

17. (SBU) NGOs and members of the press say there is a darker side to Fuentes' incompetence. They allege that Fuentes has organized local thugs to intimidate political opponents and has threatened to dissolve the regional assembly. Fuentes' complaints about NGOs, they say, represent a thinly-disguised attempt to muzzle civil society and to divert international aid to governmental coffers. Javier Torres of the NGO Servicios Educativo Regales says Fuentes is also a racist. In the November 2006 elections, he made overt appeals to Quechua nationalism to counter the Aymara-supported campaign of Bautista. Torres says Fuentes is heavily influenced by the "ethnocacerism" of Antauro Humala, a murky philosophy that seeks to return Peru to a past when only indigenous persons wielded political power (reftels A and C).

The Aymara Response

¶18. (SBU) Fuentes' direct appeals for Quechua support have not gone over well in Aymara-speaking regions of southern Puno, which contain the majority of the population. (These regions split their vote in the 2006 elections, allowing Fuentes to win.) In mid-May the Aymara mayors of four districts in the south formed the Union of Municipalities (UMA), a political party seeking greater social development in local villages and advocating closer ties with Aymara communities in northern Bolivia. According to Woodrow Andia, the director of CARE in Puno, this kind of Aymara nationalism flares periodically in Puno when social tensions rise. Andia says Felipe Quispe, an Aymara leader from Bolivia with ties to terrorism, makes periodic trips to UMA areas to try to win support.

Where is the Bolivarianism?

¶19. (SBU) Javier Molina of the NGO Peru Network in Puno says Venezuelan operatives have approached UMA representatives with offers of support (Molina has no direct evidence of this, but has heard it is the case). Molina insists the Venezuelans have met a cold reception, because the Aymaras seek social development in geographically limited areas and are uninterested in socialism or in larger questions of international politics. Fuentes' close association with Caracas, moreover, has discredited Venezuela in the eyes of many Aymara leaders.

¶10. (SBU) Political analysts and reporters estimate that less than 25 percent of voters are sympathetic to Bolivarianism, and analysts note that the ruling APRA party pulled 16 percent of the vote in provincial elections. (Evo Morales is widely popular, but he is admired for his poor, indigenous background, not for his political views.) Andia calls the regional government's calls for socialism and public embrace of Venezuelan diplomats a "marketing ploy" designed to draw attention away from Fuentes' inability to get anything done. Political analyst Percy Medina says that Puno is a traditional stronghold of radicalism, but a radicalism that lacks ideological content and represents a repudiation of all things Lima. According to Medina, Ollanta Humala won widespread support in the 2006 presidential elections by portraying himself as the anti-establishment candidate, but one year later, his support has dropped to less than 10 percent of the population, because Puno residents doubt his radical nationalism can improve their lives.

Comment: Decentralization, Venezuela, and Democracy

¶11. (SBU) A politically clumsy regional president lacking the technical skills to run government presents hard choices for the ambitious decentralization plans of President Garcia (reftel D). If Garcia sends funds to Puno, the money may be wasted or strengthen a regional president with a lukewarm commitment to democracy. If Puno is starved of funds, social discontent could find outlet in one of the many forms of radicalism present in Puno. For now, most residents blame Fuentes for doing nothing to fix bad schools and bad roads, but if provincial inaction continues, the smoldering distrust and resentment that exists towards local government is likely to be redirected towards Lima. Former president Alberto Fujimori won over the province by funding social development directly from Lima, bypassing local officials, an anti-democratic option unavailable to Garcia.

¶12. (SBU) The widespread media coverage in Lima of the Bolivarian threat in Puno (reftel B) shows the danger of viewing all conflict through the lens of Venezuelan agitation. Many in Puno say Venezuelan diplomats are handing

over cash to campesino leaders in the countryside to foment protests -- though hard facts are missing -- but the ubiquitous poverty of the region provides sufficient reason for unrest without Venezuelan meddling. Puno's long history of smuggling makes most residents practical opportunists uninterested in ideology. Campesinos will take Venezuelan money, but it is doubtful that cash will buy long-term support or allow Bolivarianism to gain ascendance in the swirling currents of Puno radicalism.

¶13. (SBU) Finally, in spite of a regional government on the verge of failure six months into a five year term, the anger in Puno remains focused on holding local officials accountable for substandard services, not on a desire for revolutionary change. Few want to return to the turmoil that marked the 10-year struggle against terrorism, and the demand for social and political transformation voiced by Bolivarian, communist, nationalist, and ethnocacerist leaders in Puno is not shared by the general populace. Fuentes is likely to face mounting protests in the coming months, but protests that focus on the need to find more doctros and teachers. Radicals are popular because the central government is often seen as indifferent to local needs, but even radicals, at some point, will have to make sure the trains run on time.

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